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# TRAVEL LIFE CYCLES VARY SIGNIFICANTLY WITH THE PURPOSE OF TRAVEL

by

Darrian Collins
and
Clem Tisdell

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**Address:** Department of Economics
The University of Queensland
Queensland 4072 Australia

**Telephone:** (07) 3365 6570
**Fax:** (07) 3365 7299
**Email:** enquiries@economics.uq.edu.au

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# TRAVEL LIFE CYCLES VARY SIGNIFICANTLY WITH THE PURPOSE OF TRAVEL

Darrian Collins and Clem Tisdell

Department of Economics
The University of Queensland
Brisbane Qld 4072
Australia
d.collins@economics.uq.edu.au

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# TRAVEL LIFE CYCLES VARY SIGNIFICANTLY WITH THE PURPOSE OF TRAVEL

**Abstract**

By describing and discussing Australian data on outbound travel, this paper investigates the bimodal life cycle pattern predicted/observed by Lawson (1991) and Becker (1992). These authors' theories are primarily based on the demand for holiday travel, but travellers do not merely travel overseas for holiday purposes. Trips overseas by Australians are split into 6 groups based on the purpose for travel, enabling the age-related life cycles of each group to be examined separately. It is found that holiday travel is bimodal, but outbound business travel and travel to attend conventions and conferences is unimodal. Travel for education and to visit friends and relatives are both unimodal, but skewed in opposite directions and travel for short-term employment is almost symmetrical. Differences in travel life cycles occur according to the purpose of travel. Although Australian outbound travel is used for this study, it is expected that the general patterns observed should at least apply to other countries with a similar background.

## 1. INTRODUCTION

A study of age-related overseas travel patterns of Australian residents by Collins and Tisdell (2000) suggested that the bimodal life cycle travel hypothesis proposed by Lawson (1991) and Becker (1992) needed to be modified or qualified. It was shown on the basis of 1991–94 data, that there was no evidence of a bimodal Australian overseas travel pattern when total departures were examined. It was speculated that this might be the result of travel for purposes other than holidays, especially business travel. Prior to 1991, cross-sectional data for the purpose of outbound travel from Australia across various age groups was unavailable preventing the testing of this hypothesis. Now data have come to hand, which allows this theory to be followed up. These data also allow cross-section travel cycles to be specified for different purposes of travel to see if observable differences exist between such cycles.

This paper modifies existing life cycle hypotheses, taking into account the purpose of travel. This is done by observing the relative frequency of overseas travel from Australia for various travel purposes each graphed as a function of age. The travel purposes considered are holidays, visiting friends and relatives (VFR), business, convention or conference, employment and education. In this paper the following format is followed: a short literature review on travel demand with respect to the family life cycle, and the longitudinal analyses of generation and cohort effects on tourism demand is presented in section 2. Reasons for this

study, the data sources and definitions used are specified in section 3. The data is analyzed in section 4 and modifications to travel life cycle hypotheses based on the purpose of travel are in section 5. The paper is concluded in section 6.

## 2. LITERATURE BACKGROUND

Demand for travel may be affected by demographic and socioeconomic relationships such as ethnic identity and nationality, age, marital status, family size, family life cycle, gender, religion, occupation and educational background (Lawson 1994; Mieczkowski 1990) as well as temporal dimensions such as generation and cohort effects (Zimmerman 1982). In the context of this article, only the family life cycle and temporal dimensions will be reviewed.

### 2.1 The Family Life Cycle (FLC) and Travel

A young single person will demand a different type of holiday compared to a family with dependent children. A younger person may have few if any financial liabilities compared to the family, as well as different tastes and incomes. In fact, Mieczkowski (1990, p.157) stated that, 'one of the most important demographic variables influencing demand is age and the stage in the life cycle. In fact, the age structure of the population and its changes are of vital interest to tourism and recreation planners.'

The FLC is used to explain travel patterns through life, starting when individuals are young and single and ending on the death of the last partner. This pattern depends not only on age but also on other factors like marital status, family size, employment status and disposable income. Lawson (1991) suggests that tourism businesses do not adequately distinguish between the FLC and age when marketing tourist destinations. This may be the case in the long-term, but in the short to medium-term one would expect age and the family life cycle to be closely correlated, so it may not be so necessary to distinguish between them if only broad patterns are being considered.

The pioneers of family life cycle theory were Wells and Gubar (1966). They divided the family cycle into nine stages: bachelor, newly married, full nest I (preschool children), full nest II (school-age children), full nest III (older/non-dependent children), empty nest I (still working), empty nest II (retired), solitary survivor in labour force and solitary survivor retired. The bachelor and newly married groups are both children free, with the second group financially better off. Both these groups prefer a good social life, do not like being 'tied down'

and are buying basic durables, cars and holidays. The full nest groups, particularly groups I and II, have dependent children and mortgages and thus would be in a worse financial position than groups earlier on in the life cycle. Full nest III and empty nest I are in the best financial positions of all groups, with no dependent children or few financial debts but still having a stable income. They are able to buy holidays and other luxury items. Finally, the empty nest III consists of retired people, who are dissaving and more concerned with health issues.

Usually life cycle effects on travel have been empirically determined through cross-sectional analysis using survey analysis carried out by country tourism councils and the researchers themselves. Generally the studies concluded that there are systematic changes in the travel patterns of individuals throughout their life cycle. These changes were with respect to various demographic and socioeconomic factors (Bojanic 1992; Lawson 1991; Rapoport and Rapoport 1975; Zimmerman 1982) and the dominant decision maker (male or female) in the family (Cosenza and Davis 1981; Fodness 1992).

## 2.2 Travel in the Long-term

Long-term changes in the age structure of a population can provide useful information to market researchers. A particular part of a travel cohort such as the size or historic background would be useful in determining current trends as well as predicting future changes. For example, the 'baby boomers' would be aged 35 to 55 years old now and would make up a large share of the total population. Pairing this with the low mortality rates and declining birth rates of modern times, would mean in the next 20 to 30 years a larger proportion of the total population would be elderly people. This will have an effect on future travel patterns. Generation effects would also influence tourism behaviour. Regular annual events such as changing seasons, Christmas and other special occasions and occasional events like wars, political conflict, and acts of terrorism would all affect the future demand for travel.

Becker (1992) and Oppermann (1995b) both completed longitudinal analyses enabling the cohort and generation effects to be examined. A longitudinal analysis views the demand for tourism as being generated by broad events and life cycles. They were performed as one-off surveys requesting information on all travel an individual undertakes in their life-span rather than the usual method of doing repeated surveys over time. Becker studied German travel patterns and found that the family life cycle is bimodal with a decline in the distance travelled for the 34–48 year old age group, followed by slight recovery and continuing decline as a

person gets older. [Lawson (1991) supported this conclusion] Oppermann (1995a, 1995b) particularly felt that travel destinations and thus experiences gathered by the younger generations of today are different to those of previous generations. Consequently as today's younger generations become older they may have different patterns of travel to older generations of today. In other words, shifts in life cycle travel functions may occur in the long-term. While such changes can occur, in the authors' view, the fundamental patterns of life cycles of travel are less likely to alter.

## 3. THE TRAVEL LIFE CYCLE

### 3.1 Reasons for the Study

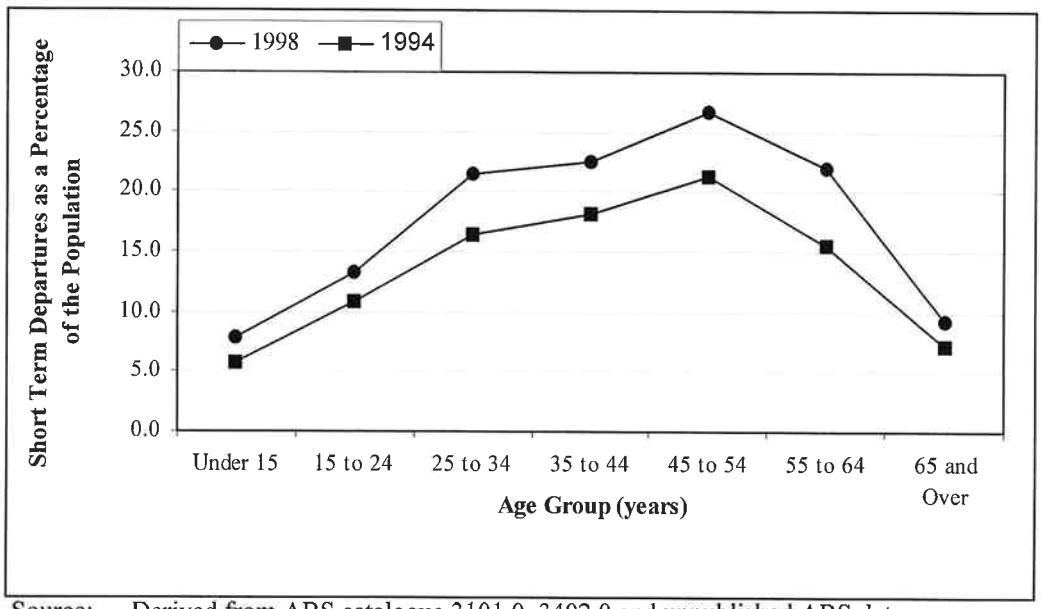
Collins and Tisdell (2000) concluded on the basis of Australian data for 1991–94, that there is a distinct pattern of a travel life cycle function, which increases with age, peaking for the 45–54 year age group and then steadily declining after that. This is evident from Figure 1, which updates the pattern to 1998. It shows the short-term departures from Australia, expressed as the percentage of the Australian population for each age group for 1994 and 1998. This unimodal function contrasts with the bimodal type of function predicted by Becker and Lawson.

The reason may be that these authors' theories are primarily influenced by the demand for holiday travel. But Australians (like travellers from other countries) do not merely travel overseas for holiday purposes. Travel for business, conferences and education can also be important. The pattern for business travel for example, may offset the bimodal pattern that could occur for holiday travel. Using cross-sectional data obtained from the Australian Bureau of Statistics (ABS) this article analyses age-related travel functions according to the different purposes for overseas travel.

Figure 1 indicates a noticeable upward shift in the percentage of Australians travelling overseas in each age group. Thus, even within a four-year period, the Australia outbound travel function shifted but its broad pattern did not change. Shifts in the age-related travel functions in the short period may be influenced by variations in economic factors. While these shifts are not the focus of this article, they are worthy of further investigation.

An aim of this article is to test the life cycle patterns predicted/observed by Lawson (1991) and by Becker (1992). Trips overseas by Australians are classified into groups based on the

*Figure 1* **Short-term departures from Australia by age relative to the Australian population for each age group: 1994 and 1998**




Source: Derived from ABS catalogue 3101.0, 3402.0 and unpublished ABS data on Overseas Arrivals and Departures.

purpose of travel enabling the age-related life cycles of each group to be examined separately. This classification can be used to see if a bimodal pattern exists in Australian overseas holiday travel, and to determine what patterns exist for other travel purposes. To the authors' knowledge, comparative studies of age-related travel frequencies with respect to the purpose of travel have not been completed. The results should be of interest from a general theoretical viewpoint and should provide more systematic information about Australian outbound travel.

Although Australian data is used for this study, it is expected that the general patterns observed for Australia would at least apply to other countries with a similar cultural background, eg United States, Canada, United Kingdom and New Zealand. In fact, general patterns of life cycle travel for holidays and business purposes may be widely applicable.

Cross-sectional data collected by the ABS on short-term (12 months or less) departing Australian residents with respect to age and the reason for travel is utilised in this analysis. In the short to medium-term, age and the family life cycle are related and consequently age can be used to speculate about the family life cycle. For instance, if a relatively large number of children (under 15) are travelling to a destination, particularly overseas, they are most likely going on a family holiday, which would be equivalent to the full nest I and II part of the

family life cycle. A significant relationship has been found to exist between migration and VFR tourism (Forsyth et al 1993 and Jackson 1990). This will also be considered as Australia had a large number of immigrants from the UK, Ireland and some parts of Europe some decades ago, and this may affect current travel for the purpose of VFR.

### 3.2 Data Sources and Definitions for Age and the Purpose of Travel

Travel data from the ABS for 1998 are used. The data are based on the departure cards filled out by short-term Australian residents departing for less then 12 months. The data collected includes age, the country of intended stay and the main purpose of the journey. The data are split into seven age groups: under 15, 15–24, 25–34, 35–44, 45–54, 55–64 and 65 and over, and each age group are split into 7 reasons for travel: visiting friends/relatives (VFR), holiday, convention/conference, business, employment, education and other[1].

Wells and Gubar's (1966) family life cycle stages broadly mirrors these age groups:

- Under 15 - no defined stage
- 15–24 - bachelor/newly married
- 25–34 - newly married/full nest I
- 35-44 - full nest I/full nest II
- 45–54 - full nest III/empty nest I
- 55–64 - empty nest I/empty nest II/solitary survivor (working)
- 65+ - empty nest II/solitary survivor (retired)

To obtain relative frequencies of overseas travel patterns of Australian residents by age groups and purpose of travel, the total Australian population for each age group is required. The estimated Australian resident populations for June 1998 have been used. These allow relative frequencies of outbound travel to be graphed as a function of age for all outbound residents.

[1] The main reasons for travel are mutually exclusive events in terms of the traveller being requested to tick one box only. Individuals often travel for more than one reason, but only the main reason for travel will be considered in this article.

# 4. DATA ANALYSIS

## 4.1. General Travel Pattern

Before presenting and analysing age-related life cycles of travel by Australian residents for each purpose of travel, the general life cycle over age will be examined more closely. Table 1 summarises the percentage of short-term departures in each age group. Overseas travel has the greatest percentage of an age group travelling for the 45–54 year old age group with 26.7 percent of Australian residents in that age group travelling overseas for a short period in 1998.

The second largest proportion of travellers is for the 35–44 age group (22.5 percent), closely followed by the 55–64 and 25–34 age groups, with 22.0 percent and 21.5 percent of individuals in these age groups travelling overseas. The rates of change between successive age groups are also displayed in Table 1. Observing these, there are relatively large changes in short-term departures from under 15 to the 15–24 age group and then from the 15–24 to 25–34 age groups. The rate of change then declines for the 35–44 age group, increases again at the 45–54 group and then drops off very quickly, decreasing at an increasing rate.

*Table 1* **Short-term departures from Australia by age and the growth rates over the age groups relative to the Australian population for each age group (%) – 1998**

| Age Group | Total Departures | Relative to the Population (%) | Rate of Change* (%) |
|---|---|---|---|
| Under 15 | 305540 | 7.8 | |
| 15–24 | 354790 | 13.3 | 70.1 |
| 25–34 | 620960 | 21.5 | 62.4 |
| 35–44 | 653500 | 22.5 | 4.8 |
| 45–54 | 659000 | 26.7 | 18.5 |
| 54–64 | 356060 | 22.0 | -17.5 |
| Over 65 | 211180 | 9.2 | -58.0 |

* *Calculating using column 3*

*Source:* Total departures data was obtained unpublished from the ABS. Other series are derived from ABS catalogue 3101.0 and unpublished ABS data on Overseas Arrivals and Departures.

Despite the prospect of a unimodal travel function (see Figure 1), the results support the general view of Becker and Lawson, that the relative frequency of more distant travel (in this case overseas travel) declines from about 55 years of age onwards and that it rises rapidly in the teenage years through till the early 30s. At the same time, in terms of proportions of the

population, note that the 55–64 year old 'market' exceeds the young 15–24 year old market and it is likely that expenditure per capita in the former age group will exceed that in the latter. Even though there is not a decrease in overseas travel for the 35–44 age group, there is an obvious decline in the growth rate of such travel. The following analysis of overseas travel by purpose will explain this.

### 4.2 Total Departures and the Purpose of Overseas Travel

Each purpose of travel is expressed as a percentage of total short-term departures, so the general composition of Australian outbound travel by purpose can be examined. These percentages are summarized in Table 2. Generally, holidays are the most popular reason for travelling overseas for a short period, making up about 47.3 percent of short-term departures, more than double the percentage for other specific purposes. The next most popular purpose is VFR, making up about 23.8 percent, followed by business travel, which comprises about 15.9 percent. These three purposes accounted for about 87 percent of short-term departures in 1998. The other 13 percent are divided between convention/conference travel (3.7 percent), travelling for employment (2.6 percent), education (1.3 percent) and other reasons or not stated (5.4 percent). However, there are large variations in the composition of outbound travel by age and purpose and this will now be specified.

*Table 2* **Purpose for travel as a percentage of short-term departures in each age group – 1998**

| Purpose of Travel | Age Group (years) | | | | | | | *% of total short-term departures* |
|---|---|---|---|---|---|---|---|---|
| | **Under 15** | **15 to 24** | **25 to 34** | **35 to 44** | **45 to 54** | **55 to 64** | **65 and over** | |
| Holiday | **52.9** | **60.1** | **50.1** | 39.2 | 41.8 | 46.2 | **53.1** | *47.3* |
| VFR | **38.5** | 22.2 | 19.0 | 20.4 | 20.6 | **26.6** | **35.9** | *23.8* |
| Business | 0 | 3.4 | 17.3 | **25.2** | **23.6** | 15.6 | 3.6 | *15.9* |
| Convention/ Conference | 0 | 1.3 | 3.4 | **5.6** | **5.3** | **4.3** | 1.6 | *3.7* |
| Employment | 0 | 2.4 | **4.0** | **3.6** | **2.8** | 1.4 | 0.4 | *2.6* |
| Education | **1.8** | **5.0** | 1.1 | 0.6 | 0.8 | 0.5 | 0.3 | *1.3* |
| Other | **6.8** | **5.6** | 5.2 | **5.5** | 5.0 | **5.4** | 5.0 | *5.4* |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% | *100%* |

*Source*: Derived from unpublished ABS data on Overseas Arrivals and Departures.

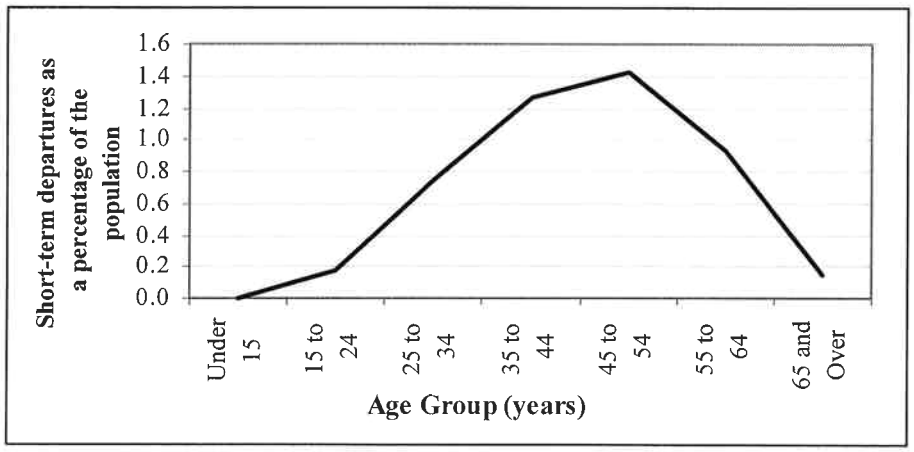
### 4.3 Age-related Travel Life Cycles and the Purpose of Outbound Travel

Table 2 shows the conditional probabilities (expressed as a percentage) for each purpose of travel given the age group. The percentage of total short-term outbound departures for each purpose of travel is given in italics and those age groups exhibiting above average relative departures by purpose are highlighted in bold. The table can be used to compare the importance of different purposes for travel within an age group and between an age group.

It can be seen from Table 2 that holiday travel accounts for the largest proportion of travellers in all age groups, even though it is less than average for ages 35 to 64. VFR is the second most frequent purpose for travel in all age groups except for the 35 to 54 age bracket, even though it is less than its average for ages 15 to 54. Overall business is the third most common reason for overseas travel but for those aged 35 to 54 it is the second most frequent purpose. These ages are also the ages for which business travel is above the average. All other purposes of travel make up a relatively small proportion of departures in the age groups, but a few interesting comparisons can be made. Travelling for education purpose is higher than normal for ages up to 24, for employment purposes for ages 25 to 54 and for attending convention/conferences for ages 35 to 64.

Figures 2 to 7 show the life cycle patterns for each of the reasons for travel. These are not the graphical forms of Table 2 because they graph the relative frequency of outbound travel by age and the purpose of travel. They also take the population of each age group into consideration so comparisons of patterns between age groups can be made.

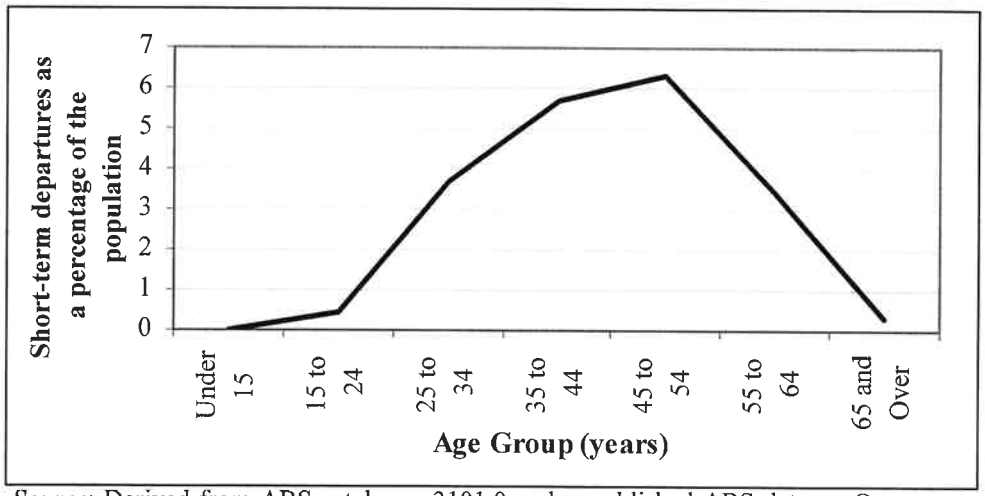
***Figure 2*: Short-term departures from Australia to attend a convention/ conference relative to the Australian population for each age group (%): 1998**




*Source:* Derived from ABS catalogue 3101.0 and unpublished ABS data on Overseas Arrivals and Departures.

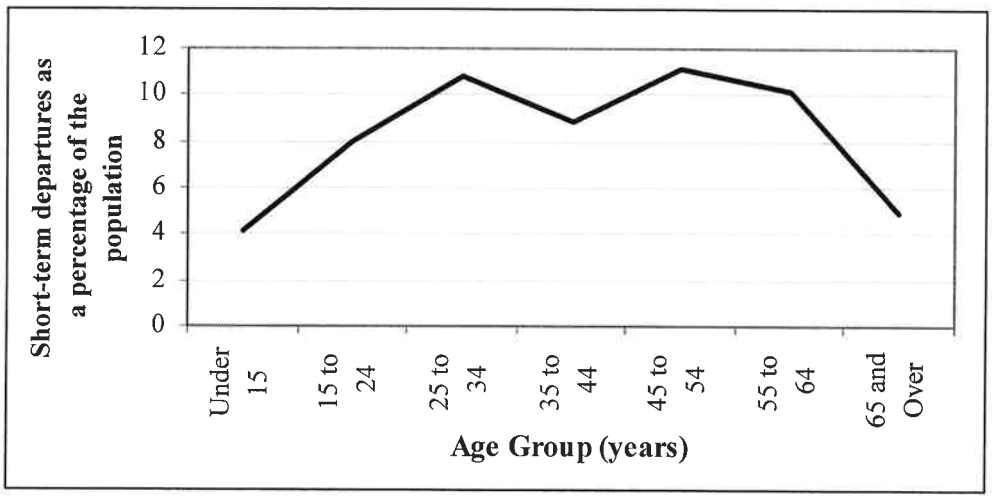
Convention/conference and business travel (Figure 2 and 3) display almost identical travel patterns in terms of shape. They both start increasing steadily from about 15–24 years of age, slowing down at the 35–44 age group, before peaking for the 45–54 age group. There is an observable decrease in travel after that. Both patterns are very slightly skewed to the left, with most travel for these purposes being done in the middle age groups. The relationship between these series is not surprising given that much travel for conventions and conferences is business or professionally related.

***Figure 3:*** **Short-term departures from Australia for business relative to the Australian population for each age group (%): 1998**




*Source*: Derived from ABS catalogue 3101.0 and unpublished ABS data on Overseas Arrivals and Departures.

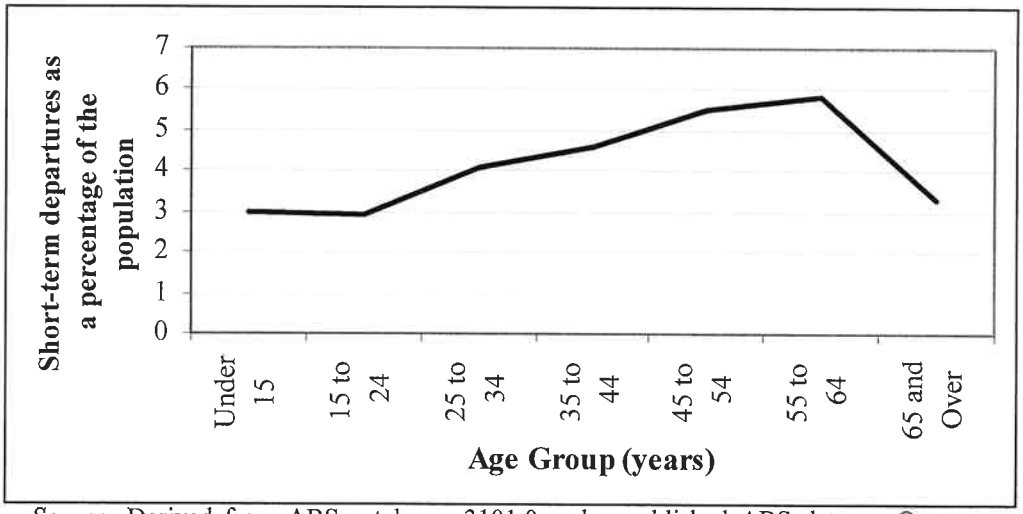
***Figure 4:*** **Short-term departures from Australia for holiday purposes relative to the Australian population for each age group (%): 1998**




*Source:* Derived from ABS catalogue 3101.0 and unpublished ABS data on Overseas Arrivals and Departures.

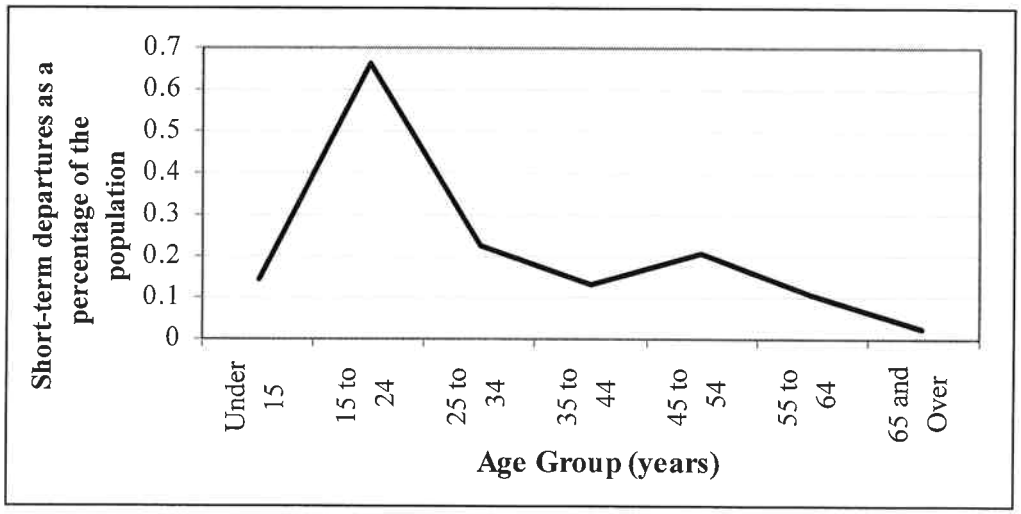
Figure 4 displays the pattern of holiday travel. The pattern is bimodal, supporting Becker and Lawson's hypothesis. There is an increase in the relative frequency of holiday travel till the 25–34 age group. It then decreases for the 35–45 age group (comparable to Becker's decline at 34–48), before increasing to an even higher peak for the 45–54 age group. It declines quickly after that. It may at first glance seem rather surprising that travelling for the purpose of VFR (Figure 5) display a different pattern to that for holiday purposes. It is not bimodal and the pattern is skewed to the left, increasing steadily before peaking for the 55–64 age group. It drops off sharply after that.

***Figure 5*: Short-term departures from Australia to visit friends/relatives relative to the Australian population for each age group (%): 1998**




*Source:* Derived from ABS catalogue 3101.0 and unpublished ABS data on Overseas Arrivals and Departures.

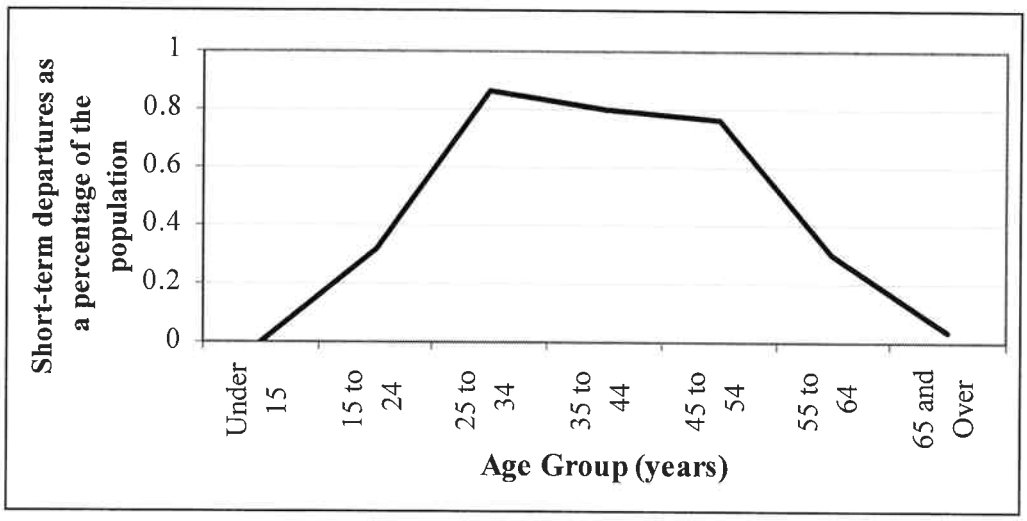
***Figure 6*: Short-term departures from Australia for education relative to the Australian population for each age group (%): 1998**




Source: Derived from ABS catalogue 3101.0 and unpublished ABS data on Overseas Arrivals and Departures.

Travelling for education purposes (Figure 6) is skewed to the opposite direction (right), with the majority of individuals travelling for this purpose being in the younger age groups rather than the older. The peak occurs for the 15–24 age group. It drops off sharply after that, but there is a very small second peak for the 45–54 year age group. Employment travel (Figure 7) is almost symmetric, but has a different peak to business and convention/conference travel. It peaks for the 25–34 age group, decreases very slightly, before a very quick decline for the 55–64 age group.

***Figure 7*: Short-term departures from Australia for employment relative to the Australian population for each age group (%): 1998**




Source: Derived from ABS catalogue 3101.0 and unpublished ABS data on Overseas Arrivals and Departures.

Generally, all outbound travel patterns decline for the elderly age groups, paralleling Becker and Lawson's conclusion. Comparing these patterns to the general travel pattern for 1998 in Figure 1, business and convention/conference travel are the only ones that display a similar pattern. As suspected by Collins and Tisdell (2000), the bimodal pattern (evident for holiday travel) predicted from the theories/empirical work of Becker and Lawson, is offset by business travel, with the decline in growth rate in the general pattern at the 35–44 age group further supporting this. These conclusions allow modifications to be made to the life cycle hypothesis, based on the purpose for travel.

## 5. MODIFICATION OF EXISTING THEORIES

From section 4 it can be concluded that all age-related travel patterns vary according to the purpose of travel. The variations in these patterns can be explained through various

sociological and economic theories, and an attempt is now made to use these theories to modify and/or develop hypotheses explaining the patterns for each purpose of travel.

## 5.1 Business and Convention/Conference Travel

The pattern for individuals travelling to another country for business or to attend a convention or conference are slightly skewed to the left, with a decrease at retirement age. The increase begins when individuals enter the workforce, and will peak around the late thirties or early forties. In terms of Wells and Gubar's family life cycle theory, this peak occurs around the full nest group. Individuals in the full nest group are expected to have less discretionary expenditure, but this has little if any impact on people travelling for business or to attend a convention or conference since such travel is usually funded by the individual's place of work.

The decline at age 65 and over is expected, because by this age most individuals have retired and there is less need for travel for business and convention/conference purposes. However, a decline occurs pre-retirement namely the 55–64 year age group. Possibly this is because overseas trips for business or conferences are a business or work related investment, with employers requiring a return on their investment (Hartley and Tisdell 1981). Prior to retirement, the time left to recoup this investment and obtain a return on it falls so employers may be less inclined to finance the overseas trips of these employees. Thus economic considerations may help to explain the fall off in relative frequency of employees in the 55-64 year age group. Even the self-employed may also find that the net present value of business-related overseas trips falls considerably as they approach their intended age of retirement.

The fact also that business-related trips are not as frequent in the younger age groups may partly have an economic and a sociological interpretation. Those of a younger age in business may not yet have completely established their credentials, are still learning about their business and will not usually have reached the most senior positions. Business trips for those in more senior positions, or the more experienced in business, could be more effective in providing higher economic returns to the business than in the case of 'juniors'. They may be in a better position to judge business opportunities than more junior employees, they are in a superior position to implement decisions made and because they usually have more subordinates, any information gained as a result of an overseas visit will be more widely acted on in the business. In addition, up to a point, overseas business-related trips may be

considered to be rewards or 'perks'. Those higher in the business hierarchy may therefore try to appropriate a larger share of such trips for themselves.

In the long-term these overall patterns are not expected to change dramatically. Nevertheless, some variations in these life cycles may occur if the proportion of females in the workforce continues to escalate. Furthermore, the age for retirement is generally rising and good health is being maintained latter in life, so future life cycles may vary somewhat from the present ones.

### 5.2 Holiday Travel

Travel for holiday purposes follows a distinct bimodal pattern as Becker (1992) realised in his study on German travel patterns. The first peak parallels Wells and Gubar's bachelor and newly married categories. These categories are young and energetic with no dependent children. Their disposable income is likely to be spent on luxuries like holidays. The dip occurs for individuals when they are married, have dependent children and their net savings position is at its lowest due to mortgage commitments. The second peak is in the empty nest period, where individuals enjoy a positive net financial position and have no dependent children. This peak is higher than the first one as most individuals have a well-established financial position, including the accumulation of assets and savings. As a person gets older, even though they have more time available for activities like travel, there is a decline in the number of journeys due to poorer health and dissaving. (Ando and Modigliani 1963; Modigliani 1986) In the long-term, as birth rates and marriages decline, the dip in travel for the full nest group may become less marked, with the travel-cycle becoming closer to unimodal.

Past studies have concluded that the actual distance travelled for a holiday may also decline with age. Collins and Tisdell (2000) showed this was not the case for Australian outbound travel. The most popular countries/regions for travel in the age group 55 and over were European countries, in particular the UK and Ireland. In 1998, 30.2 percent of 55–64 year olds and 32.8 percent of individuals aged 65 and over travelled to Europe[2]. The next most popular destination country was New Zealand with 14.2 and 14.6 percent in the respective age groups, followed by the US with 8.6 and 8.8 percent. Elderly Australian outbound travellers seem to prefer Western-type cultures, which they consider to be politically stable

[2] These figures may be overestimated as many visitors classed as holidaymakers spend time with friends and relatives (Jackson 1990).

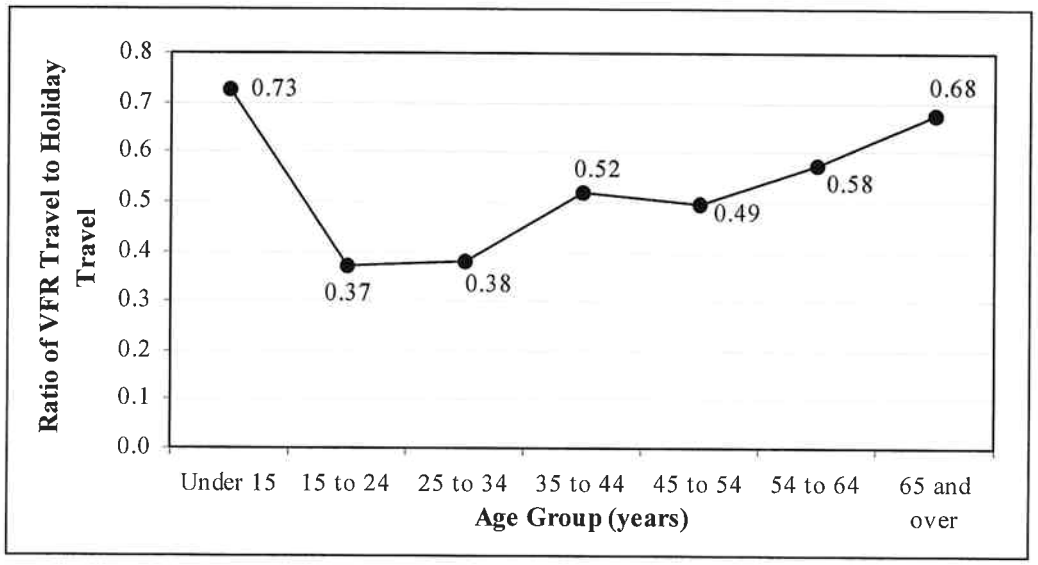
and technologically and socially advanced, and do not mind travelling the extra distance to visit these. There is also non-stop flights and relatively cheap airfares compared to closer destinations that may attract the older age groups as well.

## 5.3 Travelling to Visit Friends and Relatives

VFR travel has a definite skew to the left with the majority of individuals travelling for this purpose in the older age groups, peaking at 55–64 years of age. As mentioned in section 3.1, past immigration to Australia is likely to have a significant impact on VFR travel. Migrants and their families often return to their country of origin to visit friends and relatives or to seek information on their heritage. Between 1961 and 1980 more then 60 percent of the total migration to Australia was from Europe. In 1998, 43.5 percent of individuals aged over 55 who departed from Australia for a short-term trip travelled to Europe to VFR. Thus elderly Australians not only prefer Western countries like those in Europe for the reasons given previously, but also because of the cultural and family ties with those countries.

In the long-term, the travel pattern of individuals travelling to VFR is not expected to change significantly. In recent times though, Asian migration to Australia has grown and European migration shrunk relatively (Tisdell 1998) which may influence future visits to Asia by Australians for the purpose of VFR.

***Figure 8*** **Short-term VFR departures from Australia expressed as a percentage of short-term holiday departures from Australia: 1998**




Source: Derived from unpublished ABS data on Overseas Arrivals and Departures.

Further relationships can be detected by considering the ratio of VFR to holiday outbound trips as a function of age. This is graphed in Figure 8. It has already been established that holidays are the most popular reason for travelling overseas for a short period across all age groups. But it can be seen from Figure 8 that in some age groups, there is an increase in those visiting friends and relatives relative to those travelling for holiday purposes. This is highest for the under 15 age group and for those aged 65 and over. It also shows a slight rise for the full nest group, those 35–44 years of age. One might expect the VFR to holiday travel ratio to be higher for one or more of the following reasons:

(1) travellers need special care or supervision which can be provided by friends or relative,

(2) travellers and/or their immediate families are relatively short of finance and

(3) travellers need personal assistance – which is related to (1).

Usually it is less expensive to travel if one stays with friends or relatives. Financial considerations may be especially relevant to younger and older age groups, but may also be an important factor for the full nest group. Supervision and personal assistance may be particularly relevant to the under 15 age group and for some in the 65 and over group. Those in the full nest group, if travelling with children, may also appreciate personal assistance from friends and relatives. So to some extent, these factors help to explain changes in the ratio of VFR to holiday travel as a function of age.

### 5.4 Educational Travel

The skew for educational travel is to the right, with the majority of people being less than 25 years of age. The peak is in the 15–24 age group and would include individuals travelling for secondary or tertiary education. The individuals would be studying full-time and generally be single with no children, the bachelor stage of the FLC. Individuals in this category are usually financially dependent; implying financial backing is required through scholarships, grants or their parents.

After 24 years of age, there is a significant decline in travel for educational purposes, even though there is a small increase in the 45–54 age group but this is insignificant compared to the larger peak. Factors like no dependent children and a good financial position, attributes of the full nest III and empty nest stages of the FLC, would be likely reasons for the second peak. Because education is an investment and there may be disadvantages in leaving ones employment to an older age, the peak in the younger age group can be readily explained. For example, human capital theory (Blaug 1972: Mincer 1974; Becker 1975) suggests that the

lifetime return on investment in education is likely to be greater the earlier in life the investment is made. Also the importance of ports-of-entry and subsequent avenues of promotion as well as the significance of on-the-job learning and training, makes it important for youth not to unduly delay their entry into the workforce.

### 5.5 Travel for Employment

Travelling for employment displays another unique travel pattern. There is a relatively constant number travelling from Australia to work abroad for a short period between the ages of 25 and 54, even though this represents a heterogeneous range of people. Age restrictions (usually less than 30) are applicable when applying for working visas for many overseas countries if work is been sort, explaining why there is slightly more travelling for employment in the 25–34 age group. The under 30 group are likely to be unsettled with few skills and those who have any higher level education would have received little if any benefits from their education through employment. Thus travelling abroad for casual work may be a chosen option by young persons for financial reasons or to obtain experience and contacts.

Globalization of the world economy has increased foreign direct investment (FDI) allowing multinational firms to develop. These multinational firms will require the skill of individuals from all nations involved, so the company can develop on the worldwide market (Södersten and Reed 1994). This can be used to explain the relatively large number travelling for the purpose of employment after 35 years of age. By this time individuals have developed the skills to improve their position in the business and be in the position to travel abroad to work such as in multinational firms. The decline in the number of individuals travelling abroad after 54 years of age would be for similar reasons to the decline in the business and convention/conference travellers at the same age.

## 6. CONCLUSION

This study emphasises the importance of specifying travel-cycles according to the purpose of the journey. The bimodal pattern of overseas travel proposed by Becker (1992) and Lawson (1994) is only evident from Australian outbound travel, when travel data are used for the purpose of a holiday.

From Australian data, it was found that strong and similar unimodal age-related travel functions exist for outbound business travel and for attendance at conferences and conventions. Although the relative frequency of outbound visits to friends and relatives is unimodal (unlike that for holiday travel) and that for education almost unimodal when related to age, these travel functions are skewed in opposite directions. In relation to age, outbound travel for the purposes of short-term employment is almost symmetric. Clearly age-related travel life cycles vary with the purpose of travel.

While the age-related cross-sectional travel functions specified here are likely to shift with the passing of time due, for example, to economic variations, it is believed that they are likely to be relatively stable in their general characteristics, that is for the age groups at which they peak and the relative position of the age groups. However, some secular change is possible as the structure of society and its demographics alter, and may be, as technology alters. But such changes are likely to be slow and may only bring about minor variations in the patterns already observed.[3]

[3] Note that the age-related cross-sectional travel functions specified here may not exactly correspond to the longitudinal travel life cycles analyzed by Becker (1992) and Oppermann (1995a, b), partly for reasons touched on by Oppermann. Nevertheless, both sets of functions are likely to have similar characteristics, and both have practical applications.

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